



Wine Situation

USDA/Foreign Agricultural Service
Horticultural and Tropical Products Division

Key Facts: U.S. Wine Industry

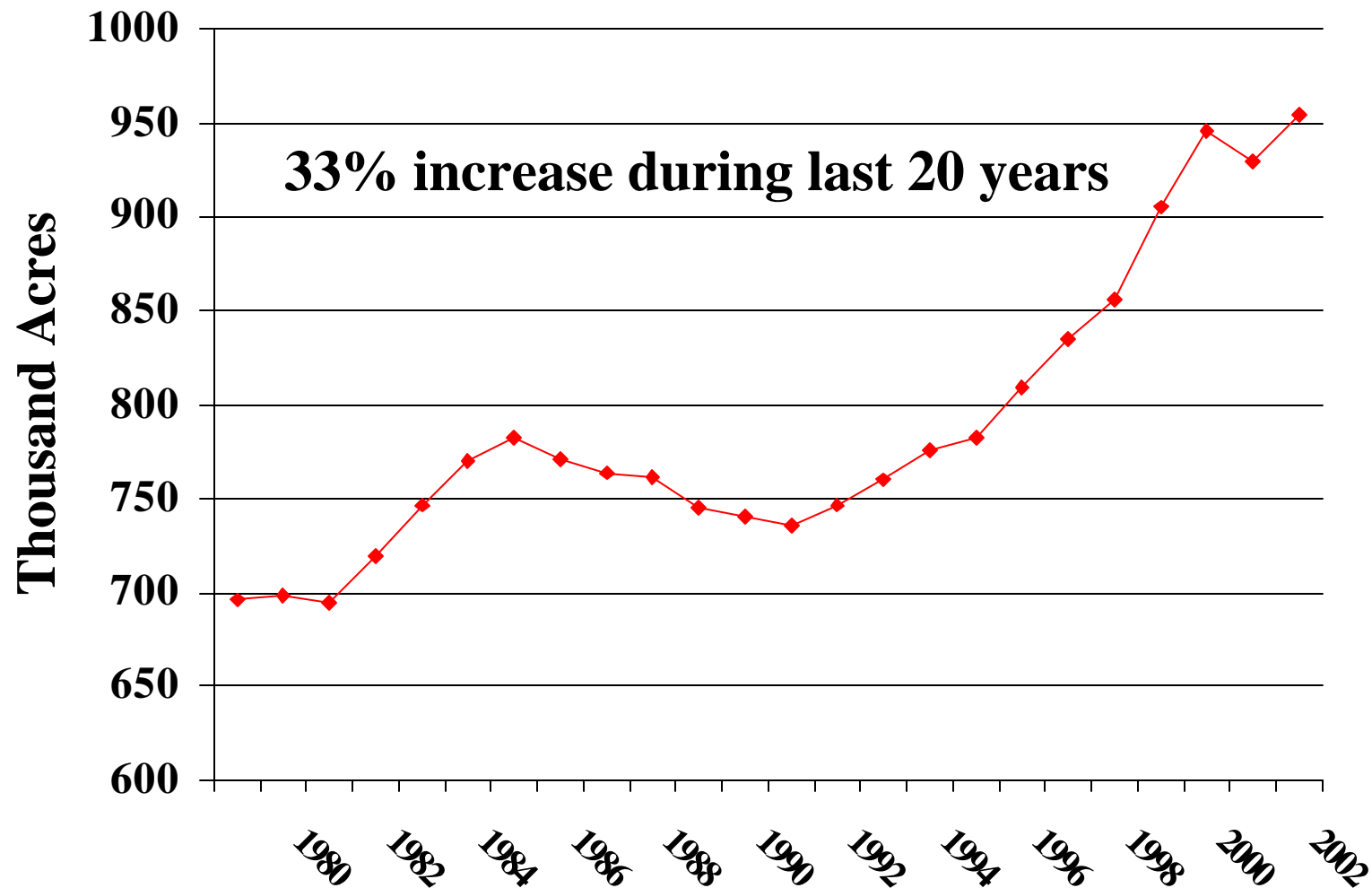
- California accounts for about 90 percent of U.S. wine production; New York (4 percent) and the Pacific Northwest States of Washington, Oregon, and Idaho collectively account for approximately 3 percent.
- Commercial wine production occurs throughout the United States. All states in the Union now have at least one bonded winery.

Key Facts: U.S. Wine Industry

(Continued)

- The United States is the fourth largest wine producing country, leading the New World Countries at approximately 23 million hl in 2002.
- In 2002, U.S. wine exports accounted for nearly 3 million hl or approximately 12 percent of production.

U.S. Bearing Acreage for Grapes

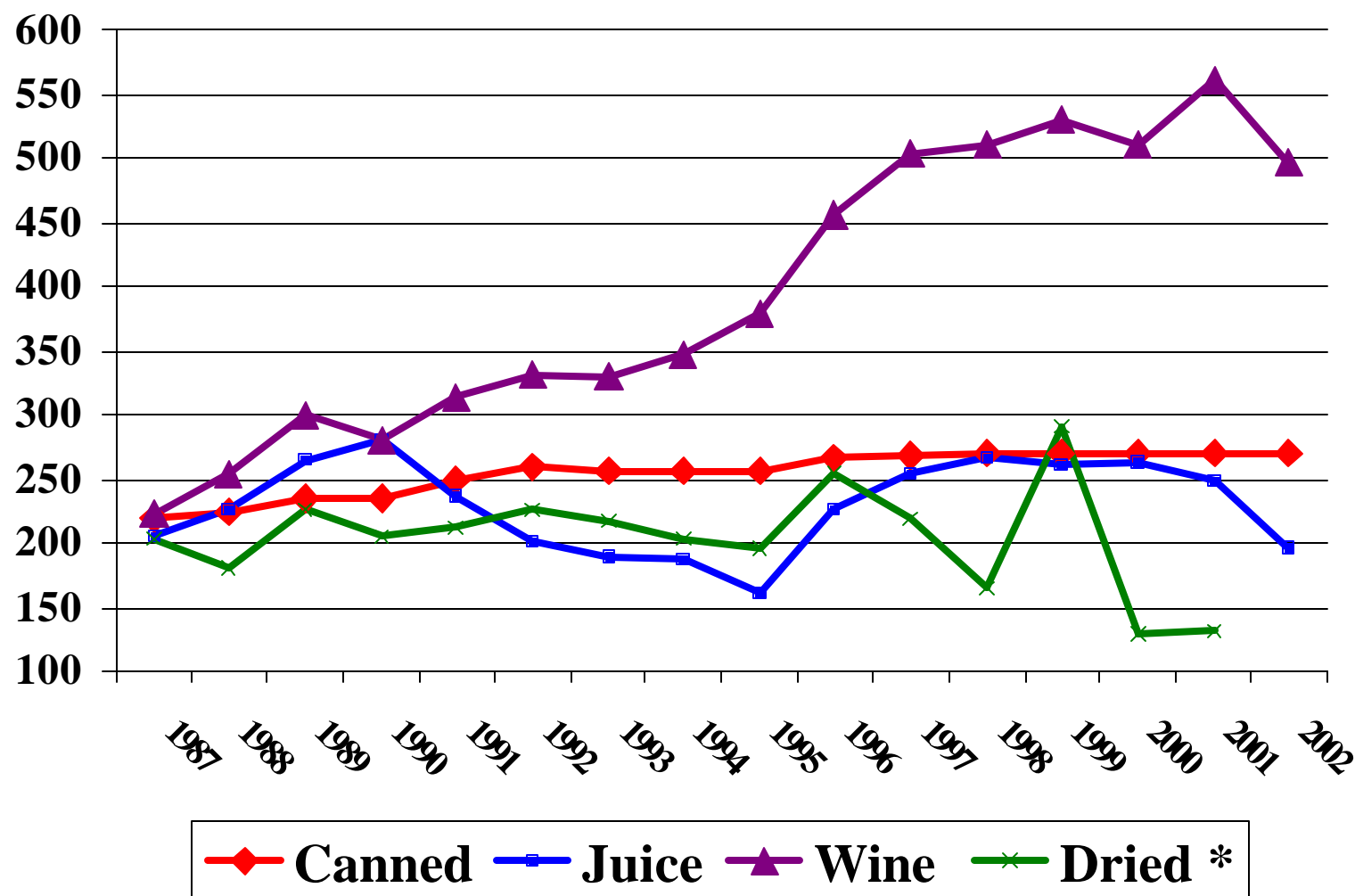


The Raisin Industry Diversion Program (RID) was implemented in 2001 and 2002. Acres enrolled were 41,000 for 2001, and 27,000 for 2002. These acres were deducted from bearing acres.

Source: National Agricultural Statistics Service, USDA

U.S. Grapes: Season Average Grower Prices

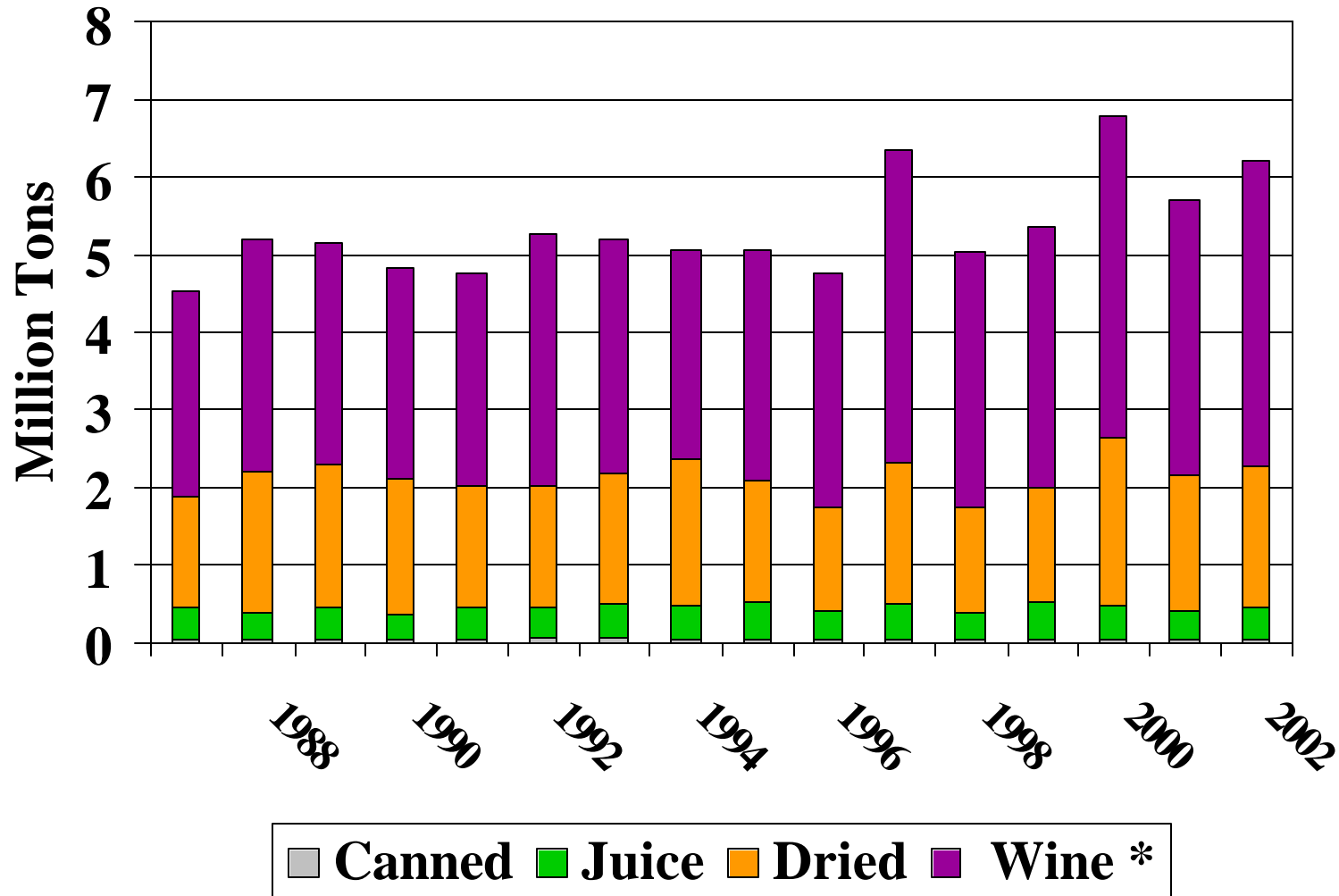
(Dollars per Ton)



* Prices for crop year 2002 will be published on July 8, 2003

Source: National Agricultural Statistics Service, USDA

U.S. Grapes: Processed Utilization

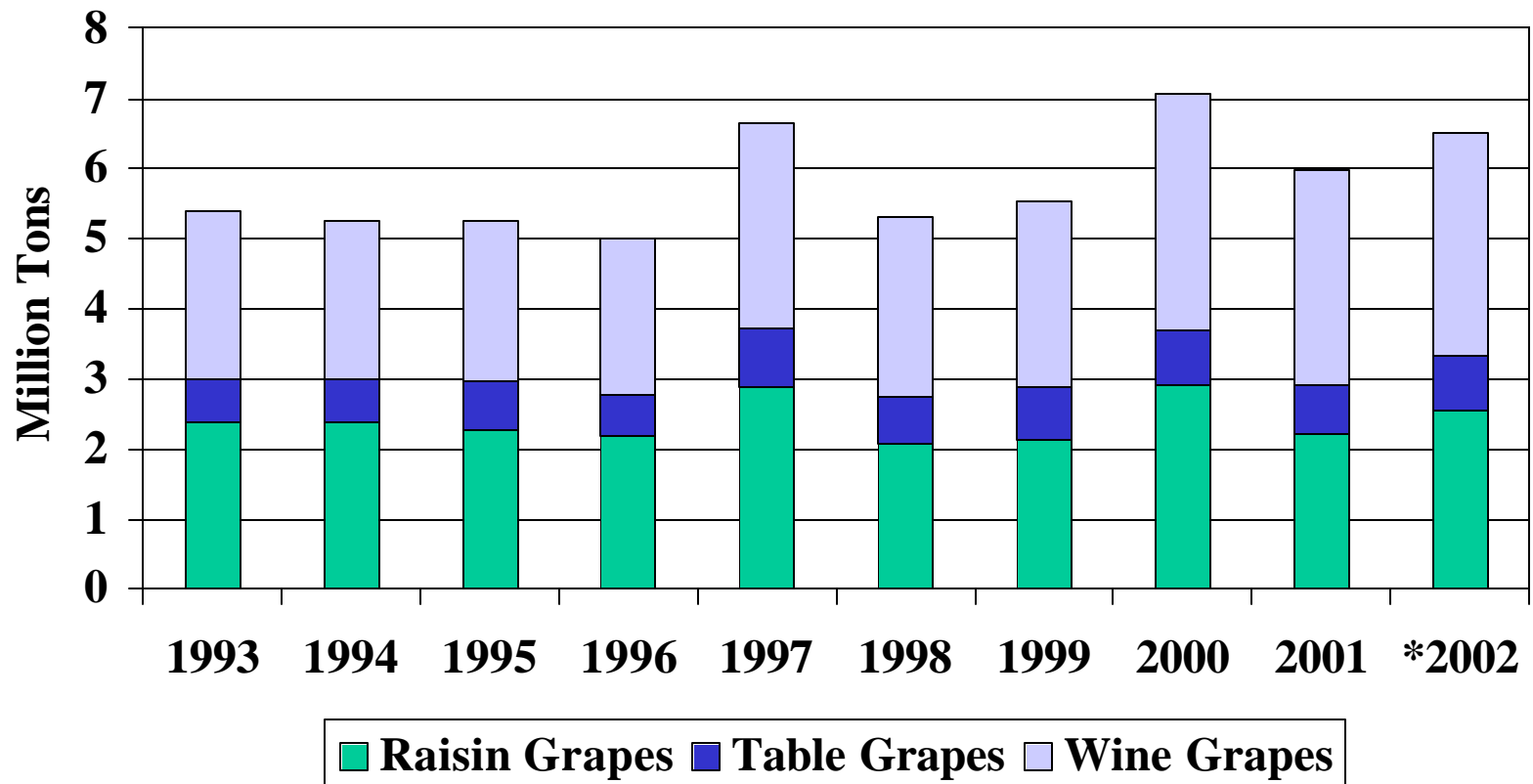


* Estimates in 2001 and 2002 include Texas and Virginia.

Source: National Agricultural Statistics Service, USDA

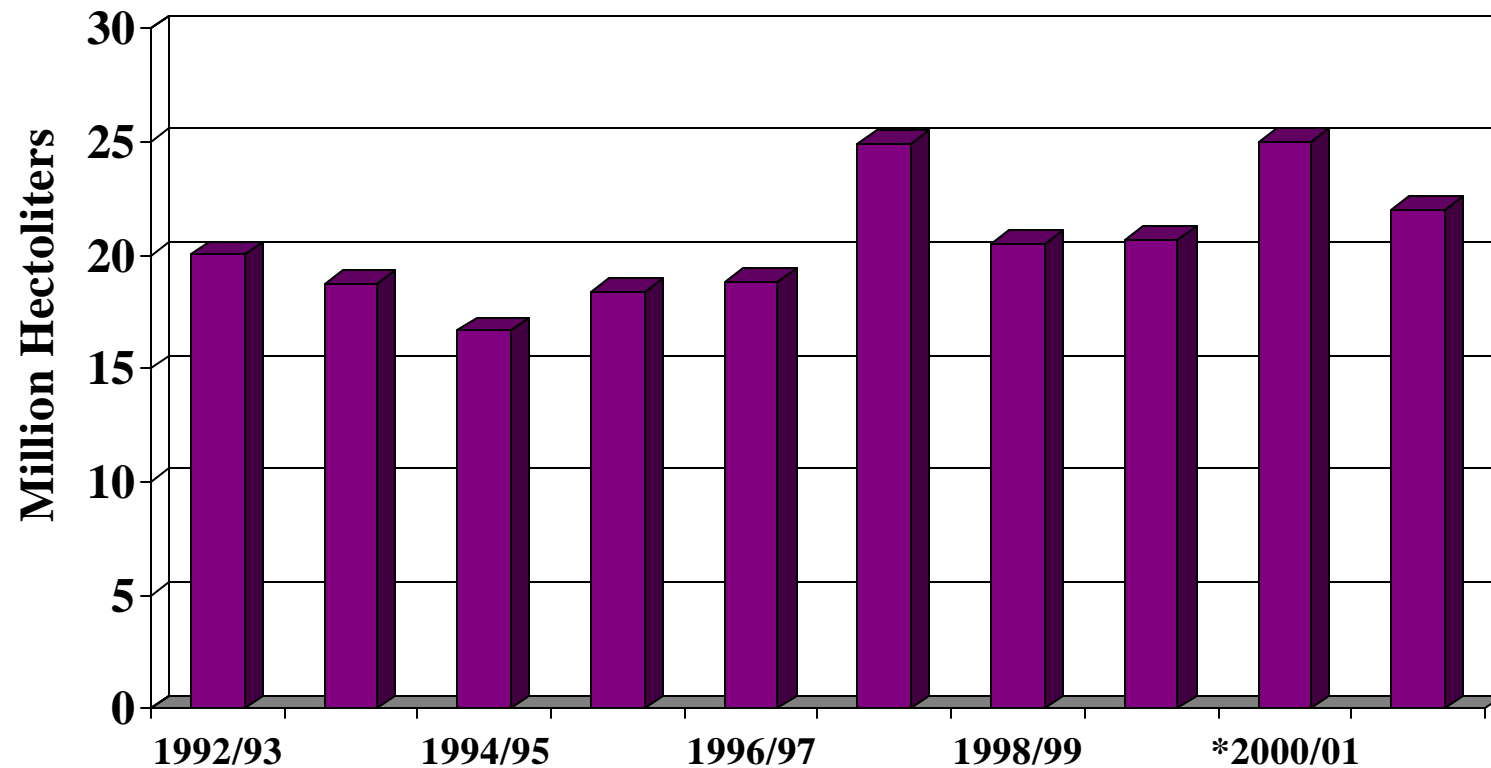
California Grape Production

(91 Percent of U.S. Grape Production)



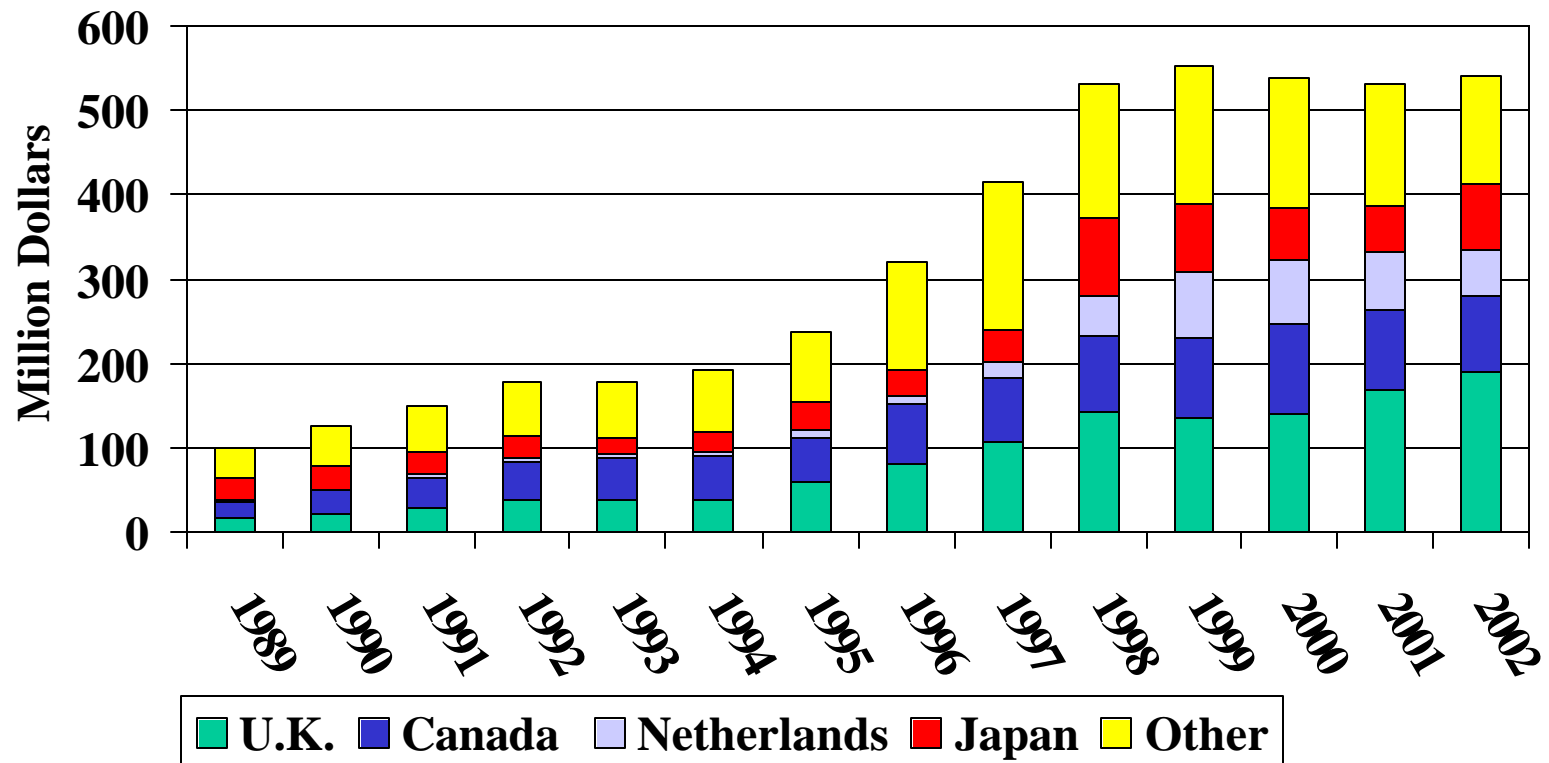
Source: National Agricultural Statistics Service, USDA

U.S. Domestic Wine Production



August – July Marketing Year

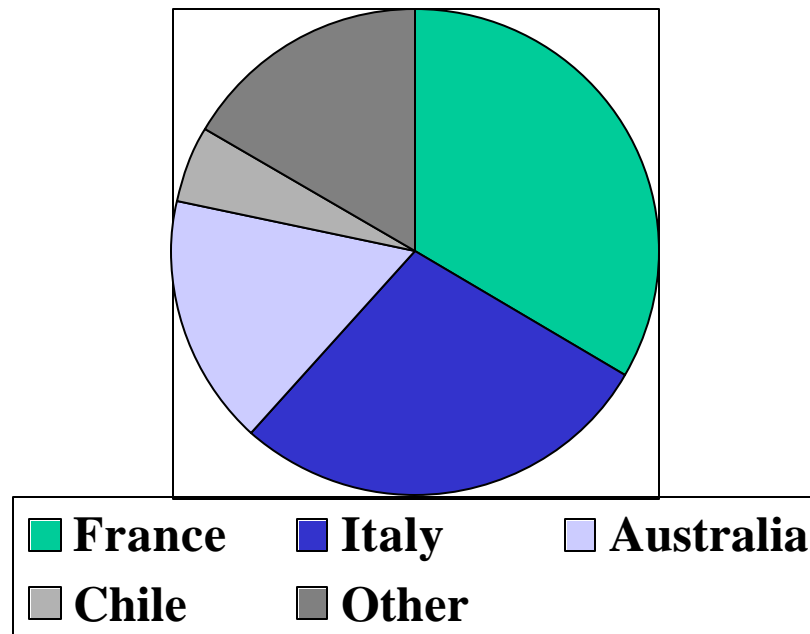
U.S. Wine Exports



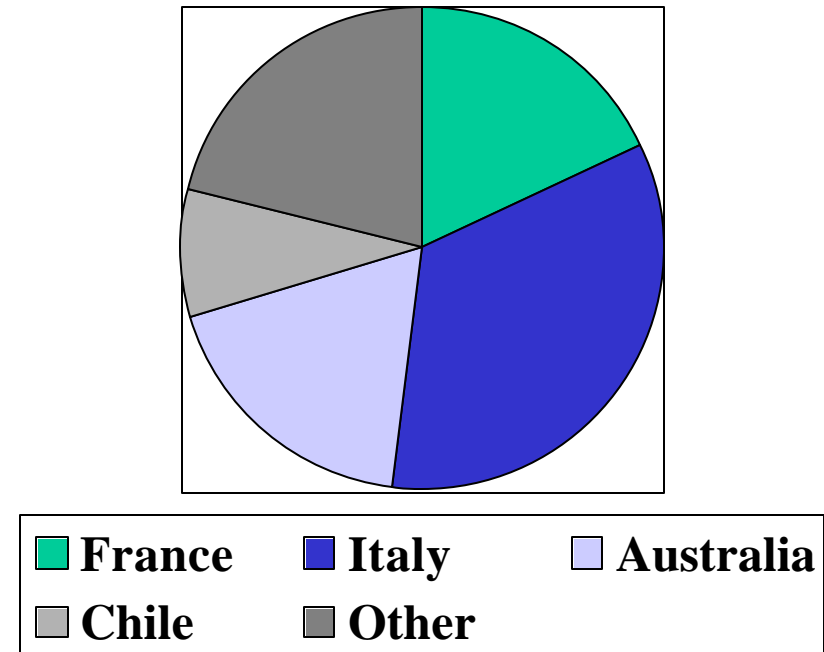
Source: U.S. Department of Commerce, Bureau of the Census

Major U.S. Wine Suppliers (2002)

Value

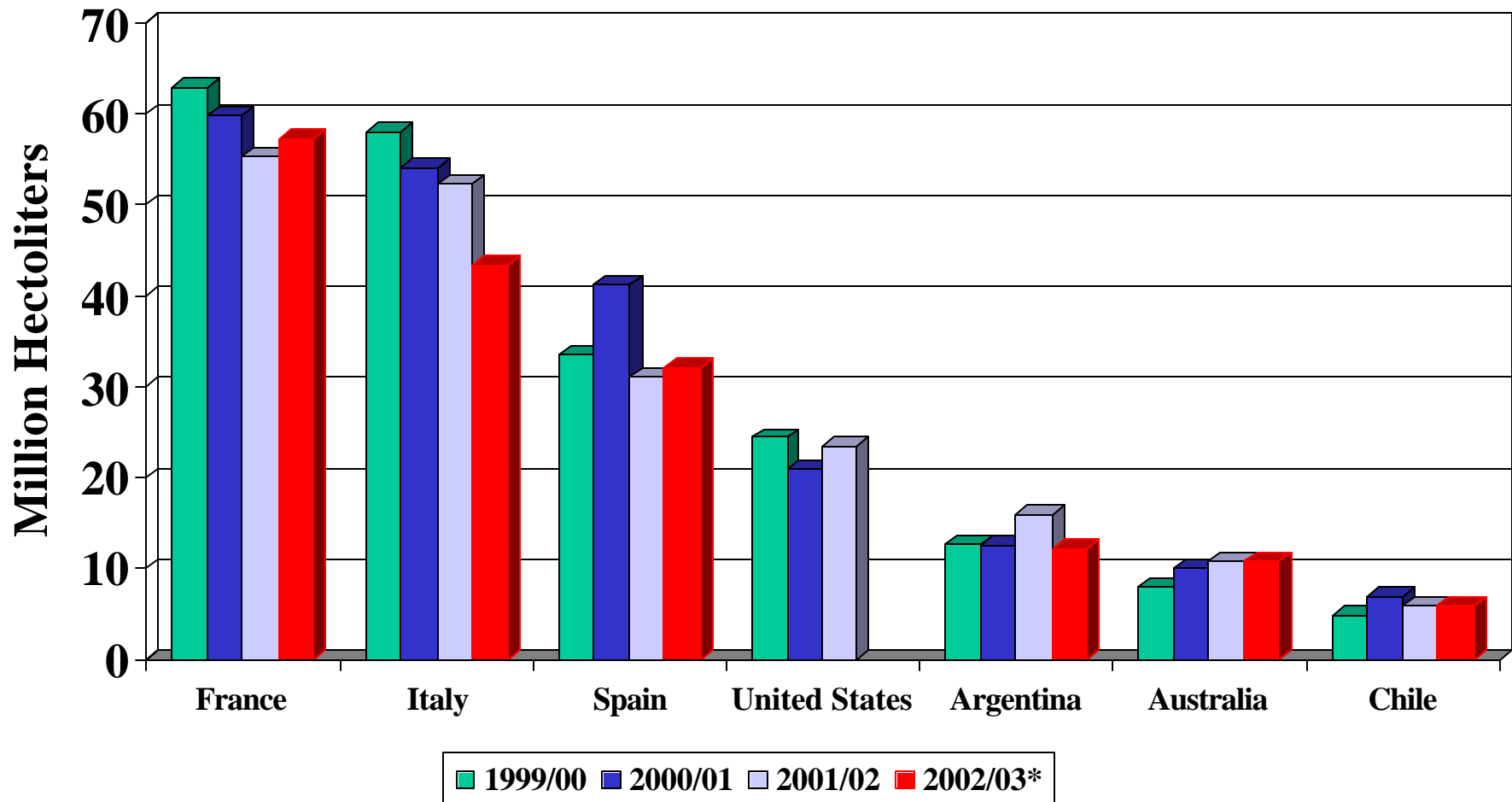


Volume



World Wine Producers

*August - July Marketing Year**



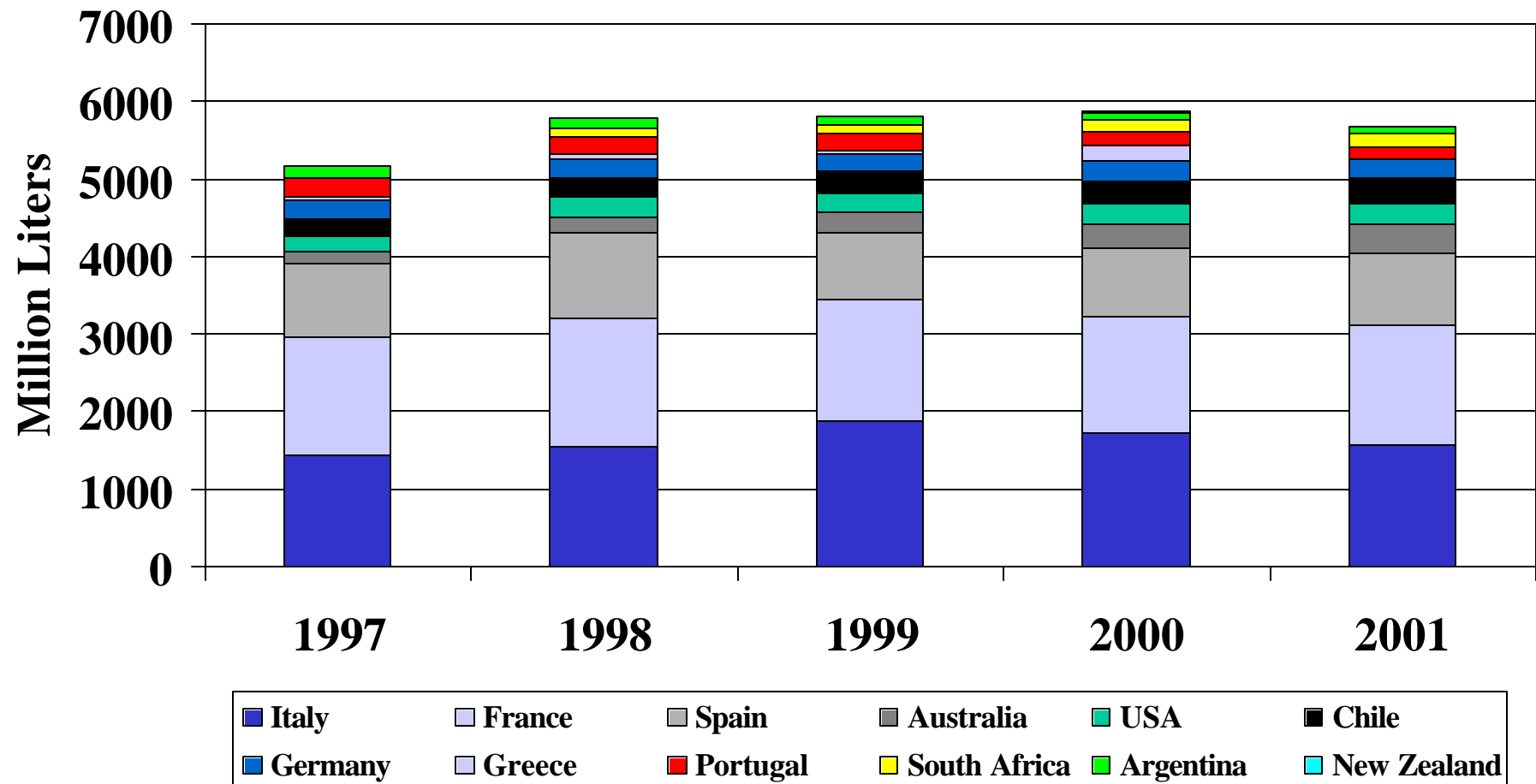
* Official Marketing year for France, Italy, and Spain Aug/Jul beginning 2001/2002

1 hectoliter = 11 cases, 1 case = 12 - 750 ml bottles

Source: U.S. Department of Agriculture, FAS Attaché Annual Reports

World Wine Exporters

Select Countries

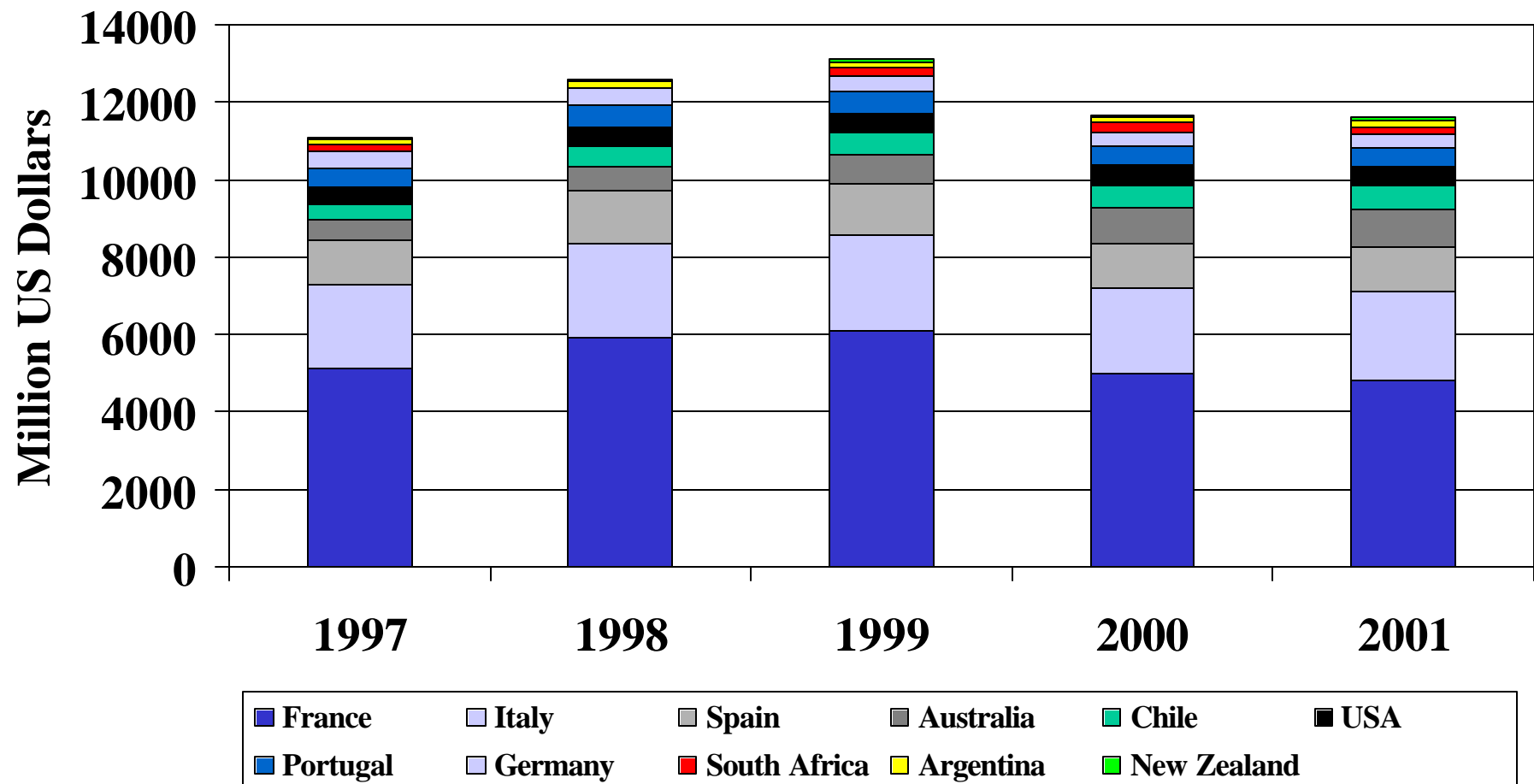


Source: Global Trade Atlas

Wine = (2204) wine of fresh grapes, including fortified wines, grape must

World Wine Exporters

Select Countries

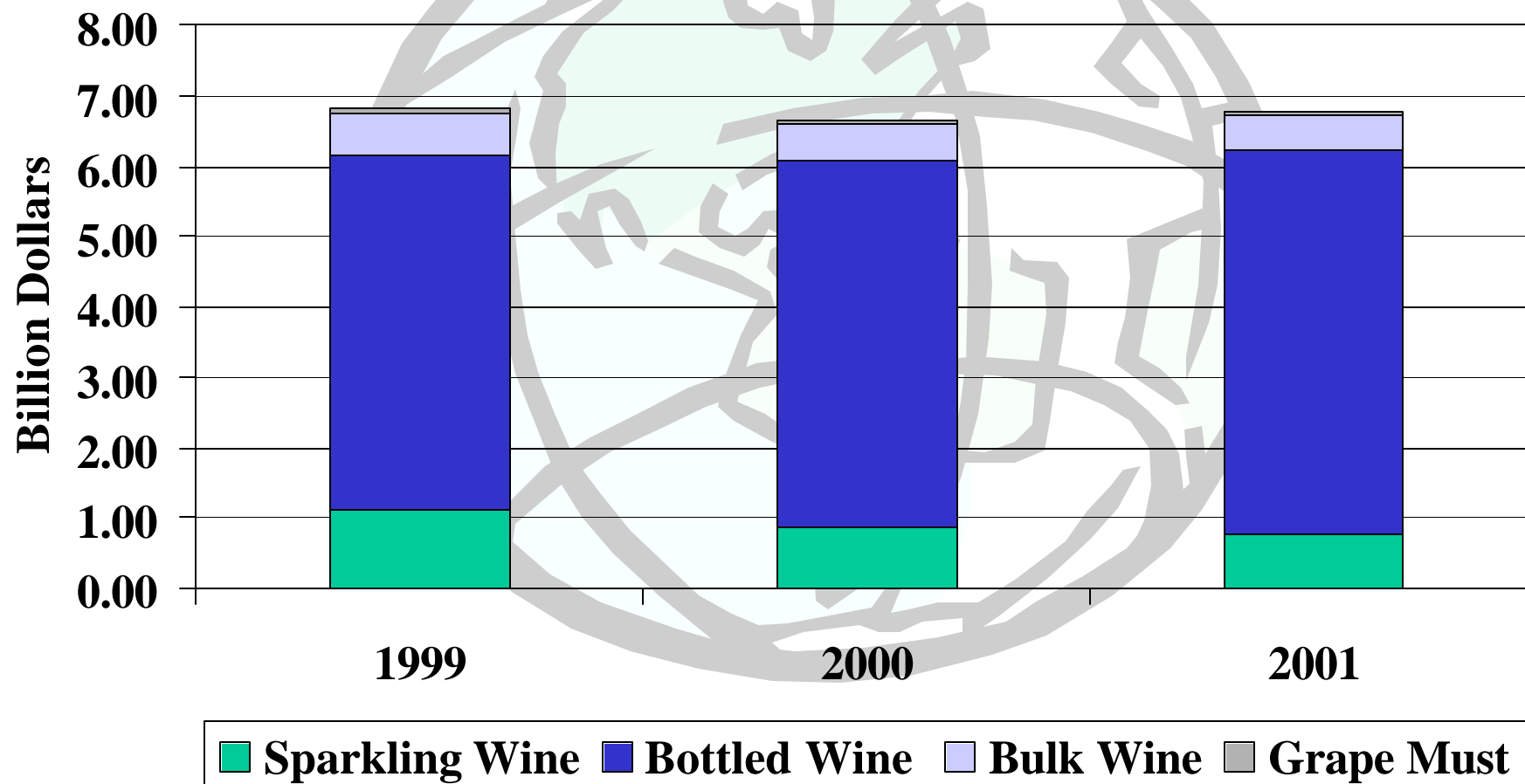


Source: Global Trade Atlas

Wine = (2204) wine of fresh grapes, including fortified wines, grape must

Global Trade – Exports by Category

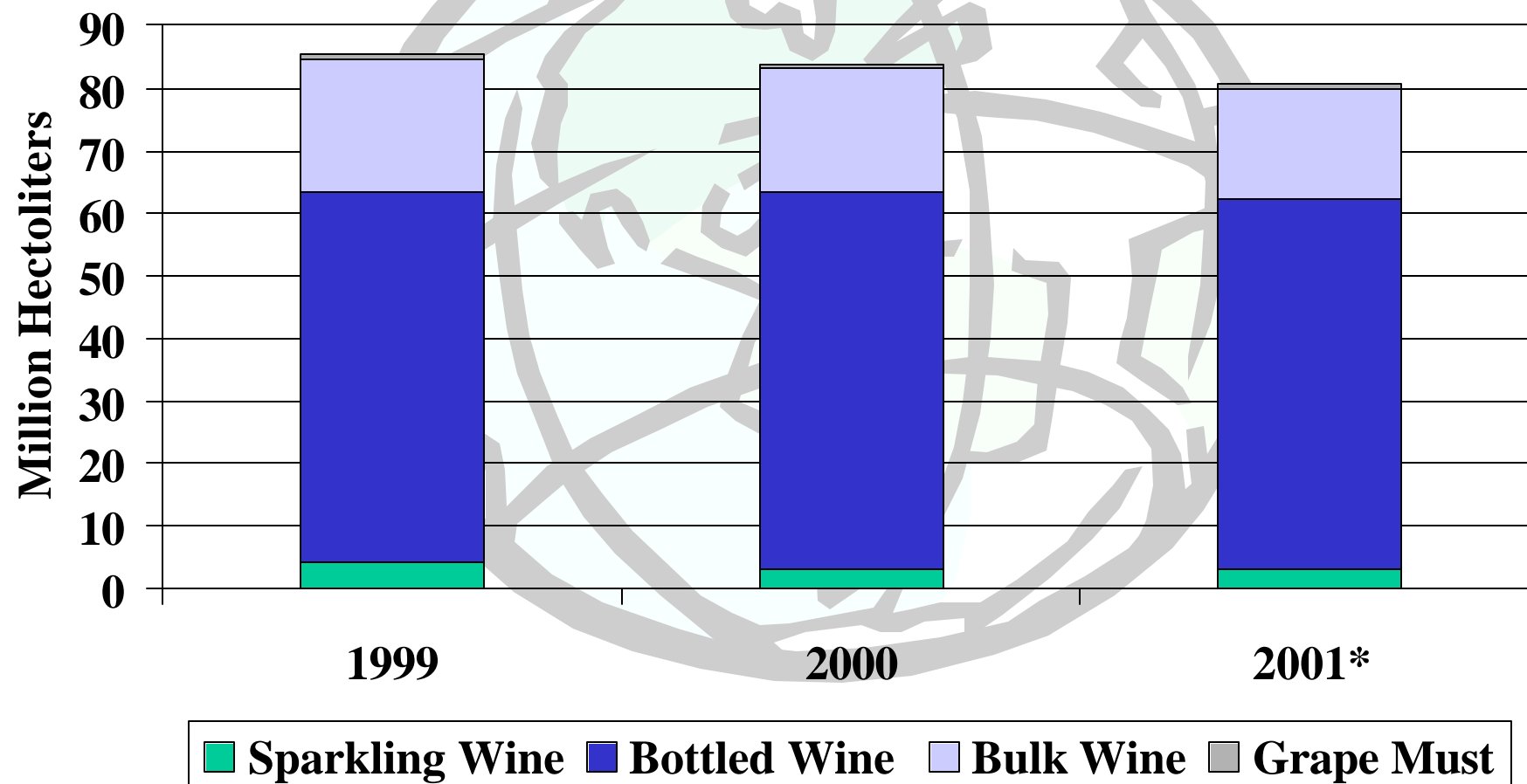
By Value



Source: GLOBAL TRADE ATLAS

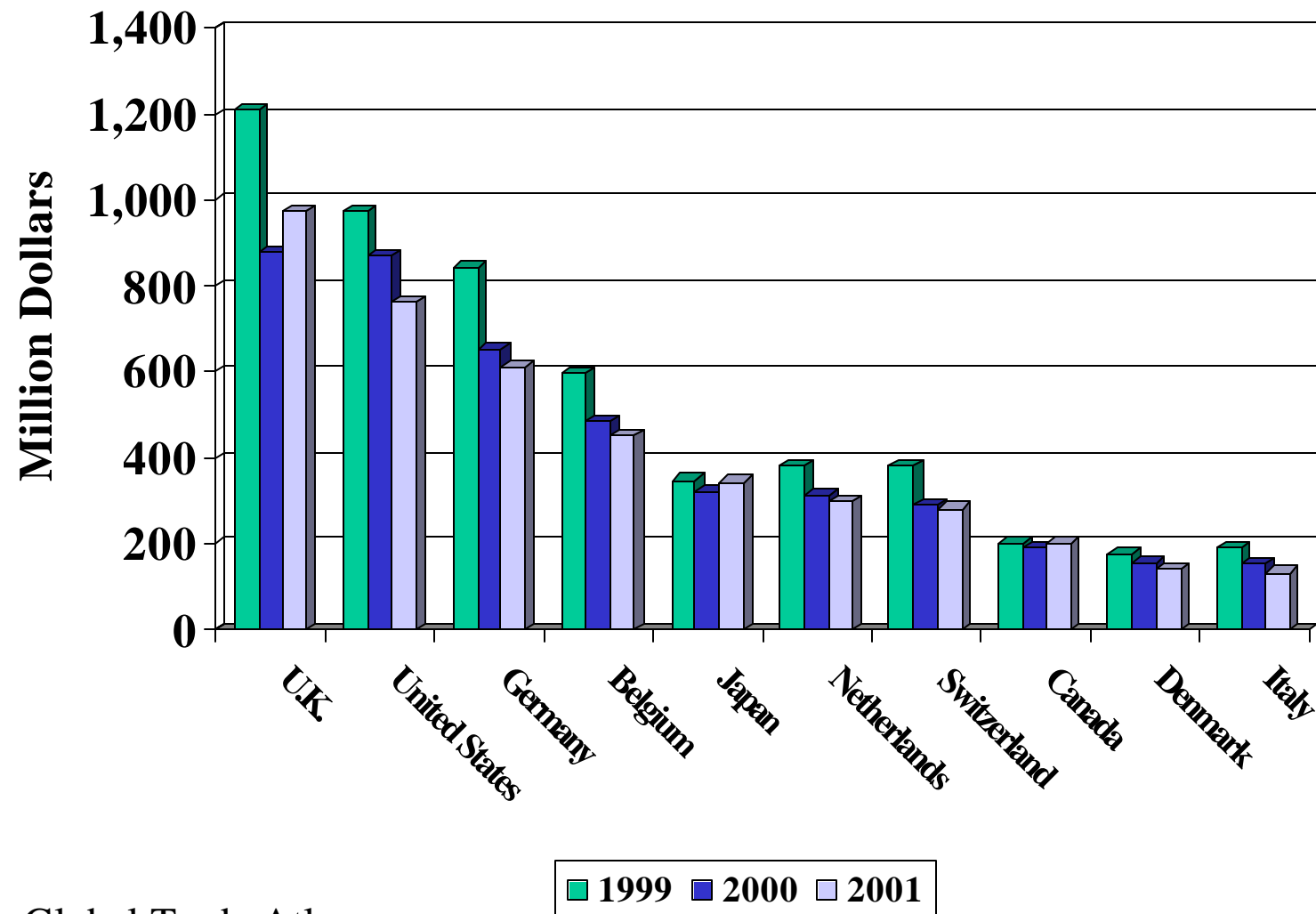
Global Trade – Exports by Category

By Volume



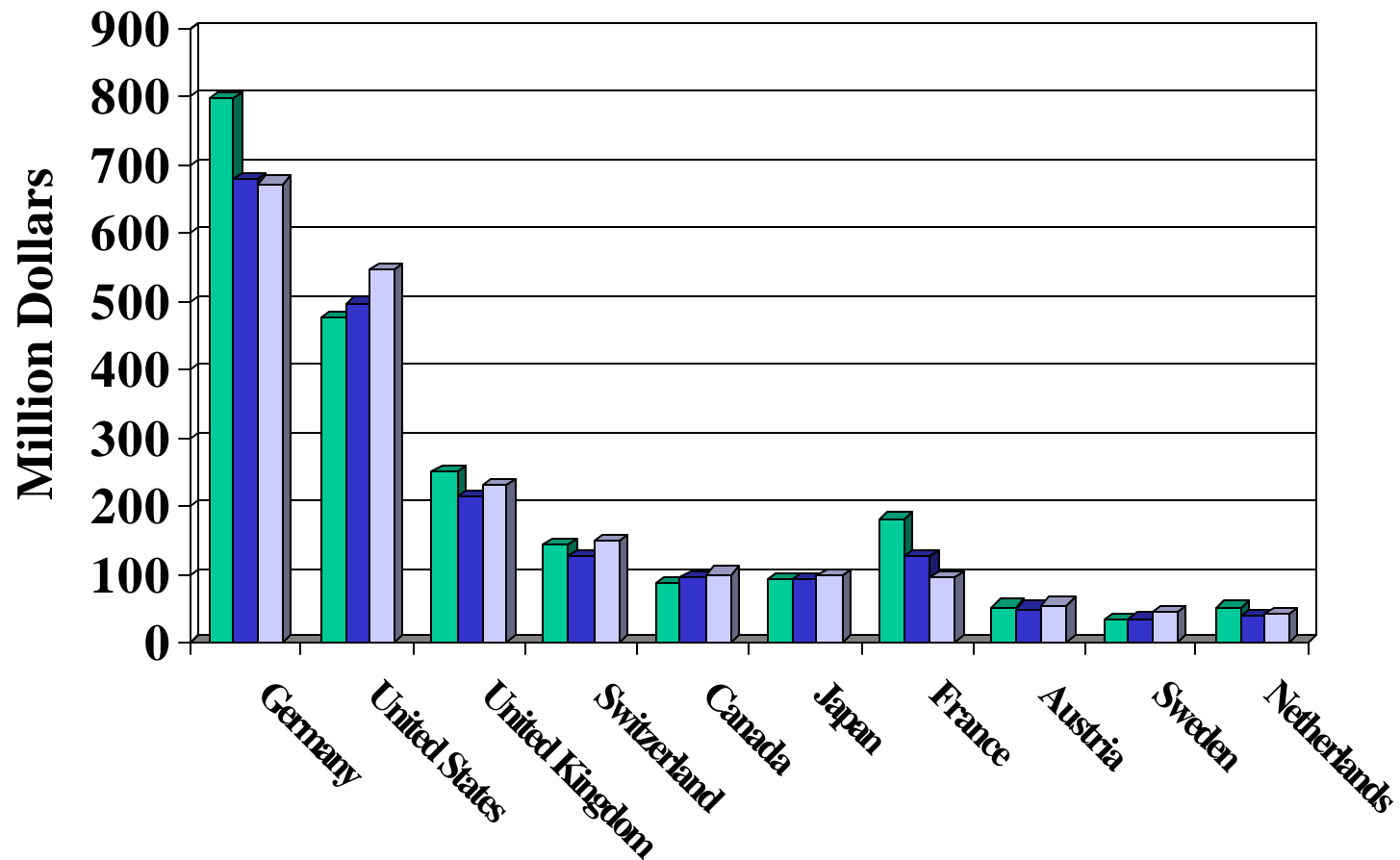
Source: GLOBAL TRADE ATLAS

France – Wine Export Destinations



Source: Global Trade Atlas

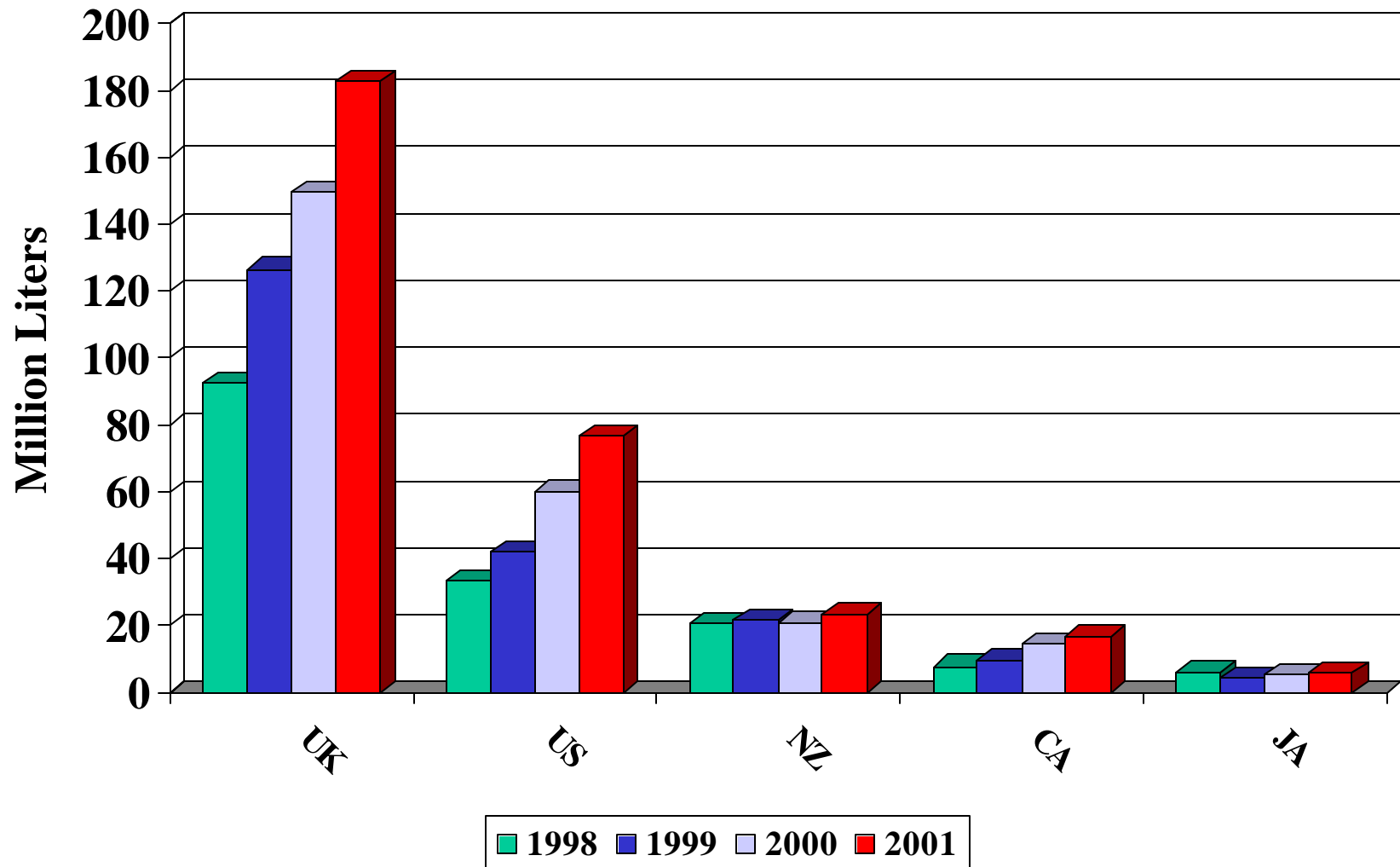
Italy – Wine Export Destinations



Source: World Trade Atlas

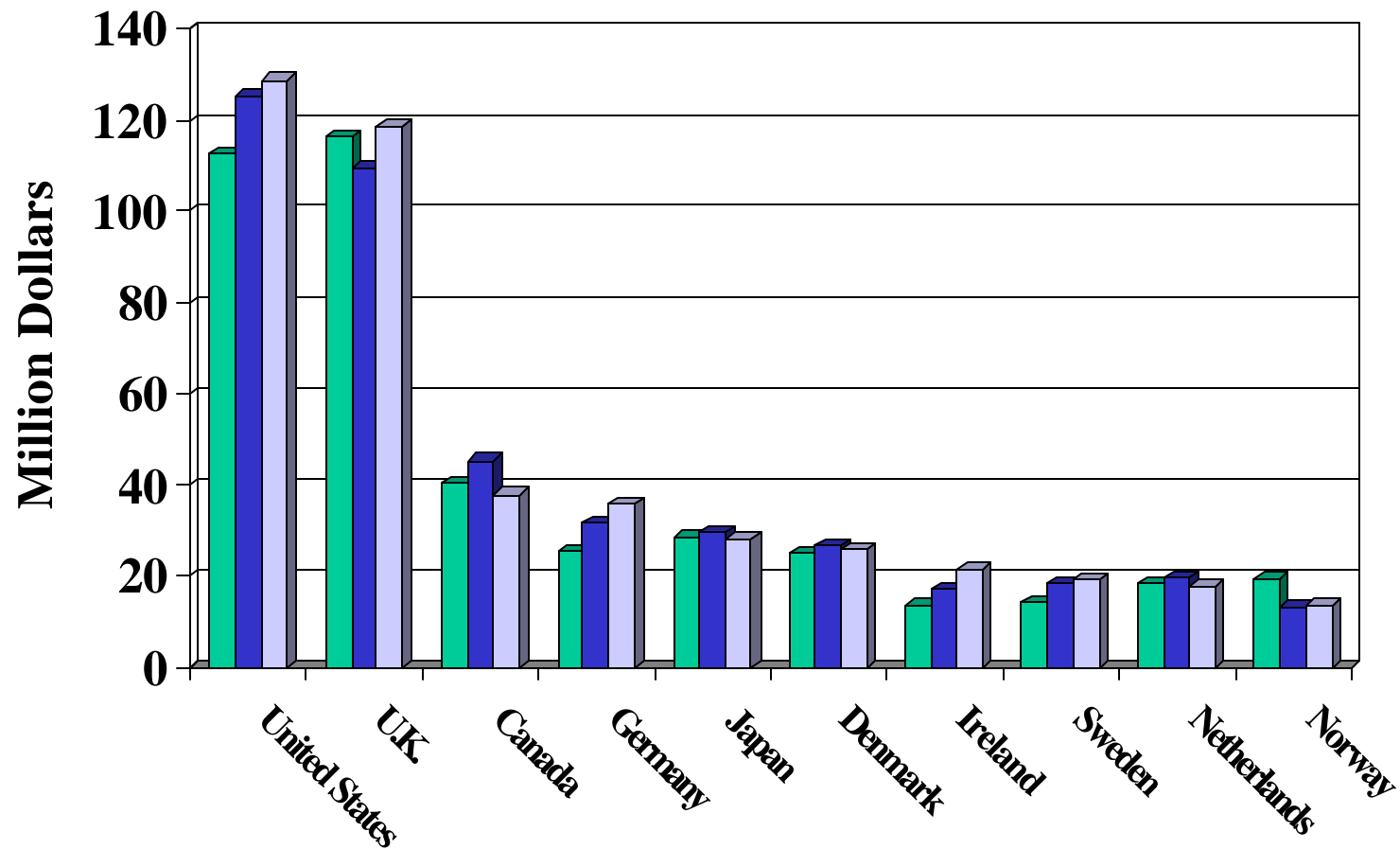
1999 2000 2001

Australia – Wine Export Destinations



Source: Australian Bureau of Statistics

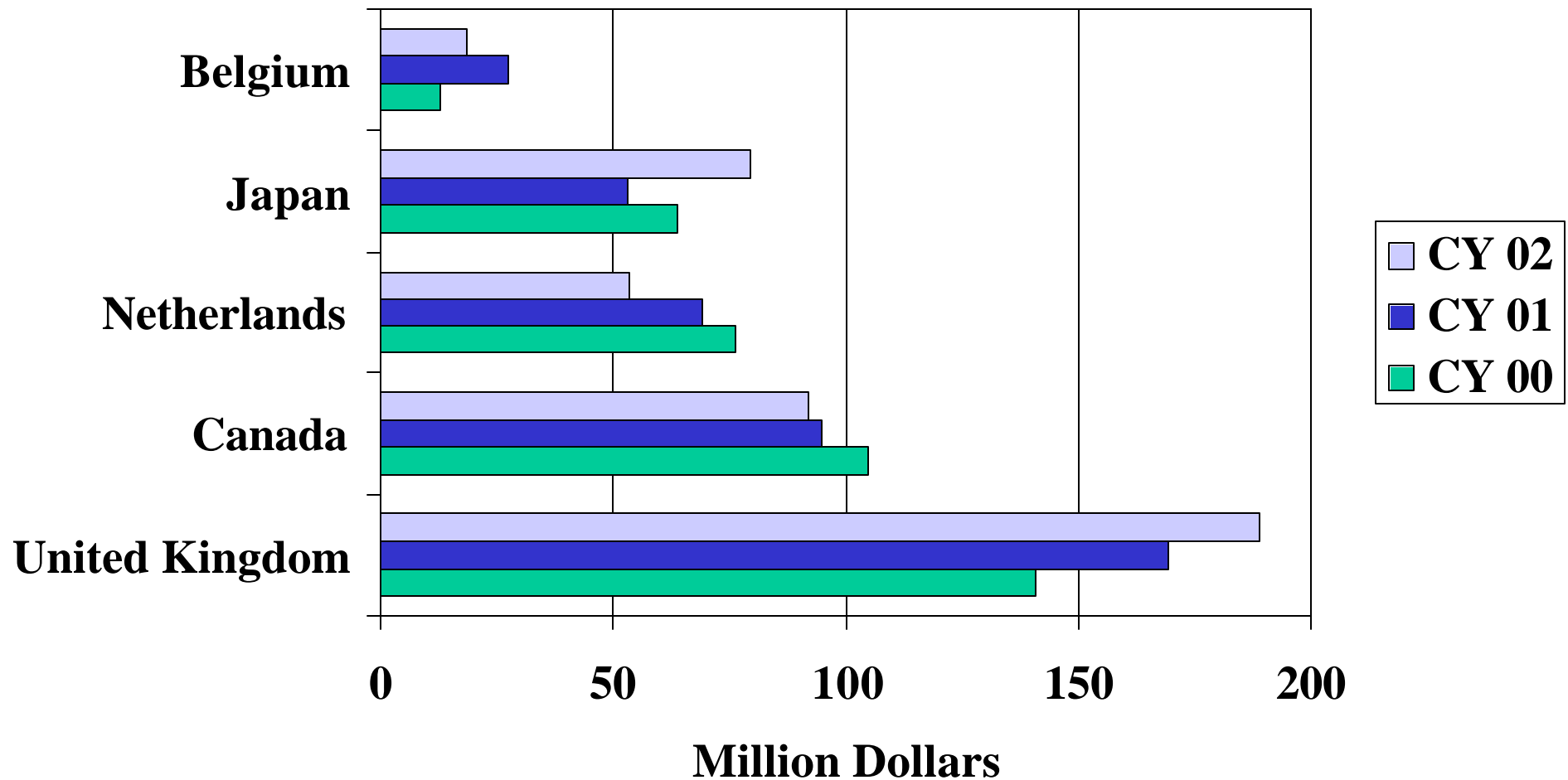
Chile – Wine Export Destinations



Source: World Trade Atlas

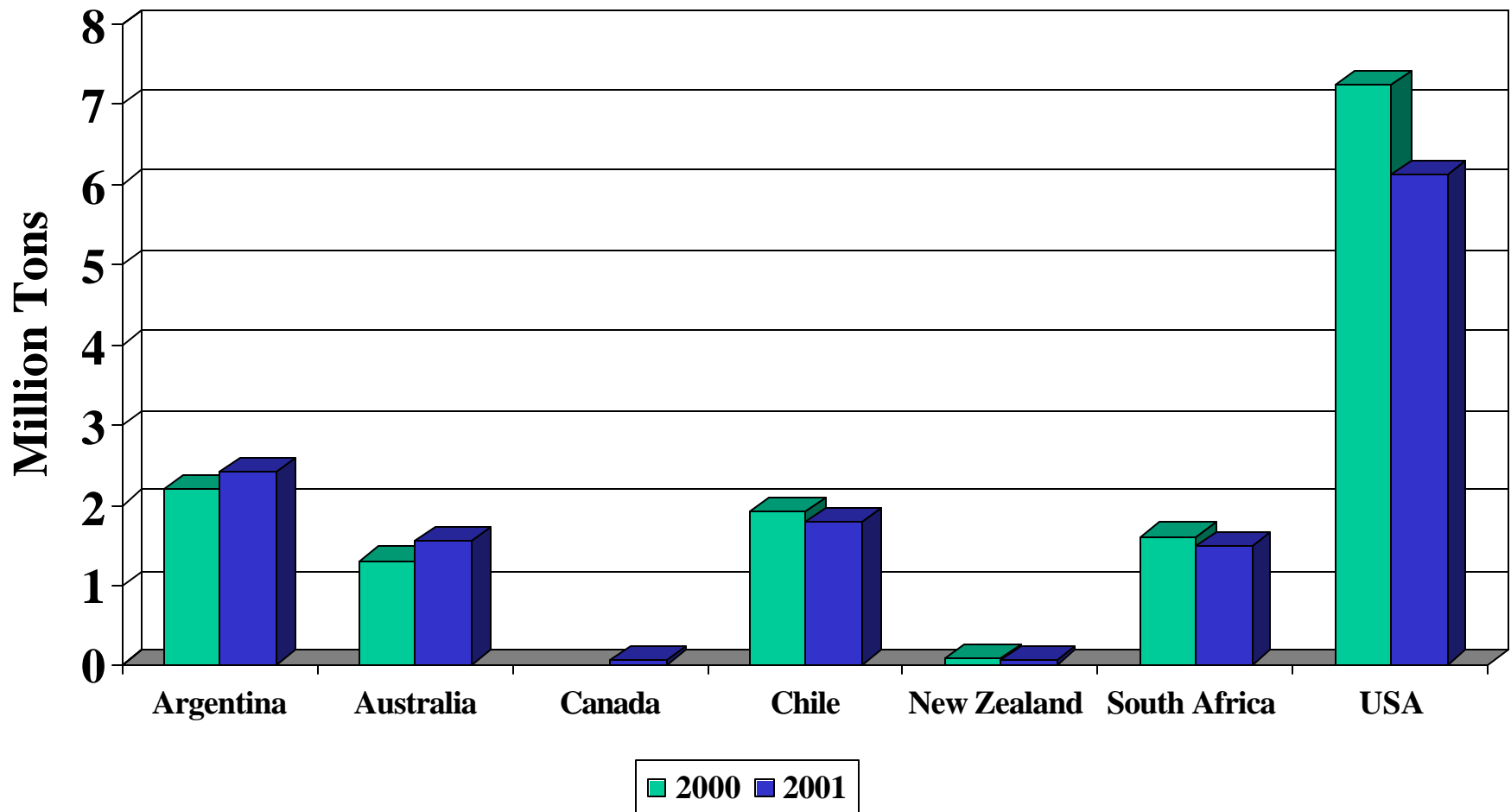
1999 2000 2001

UK Market Shows Continued Growth for U.S. Wines



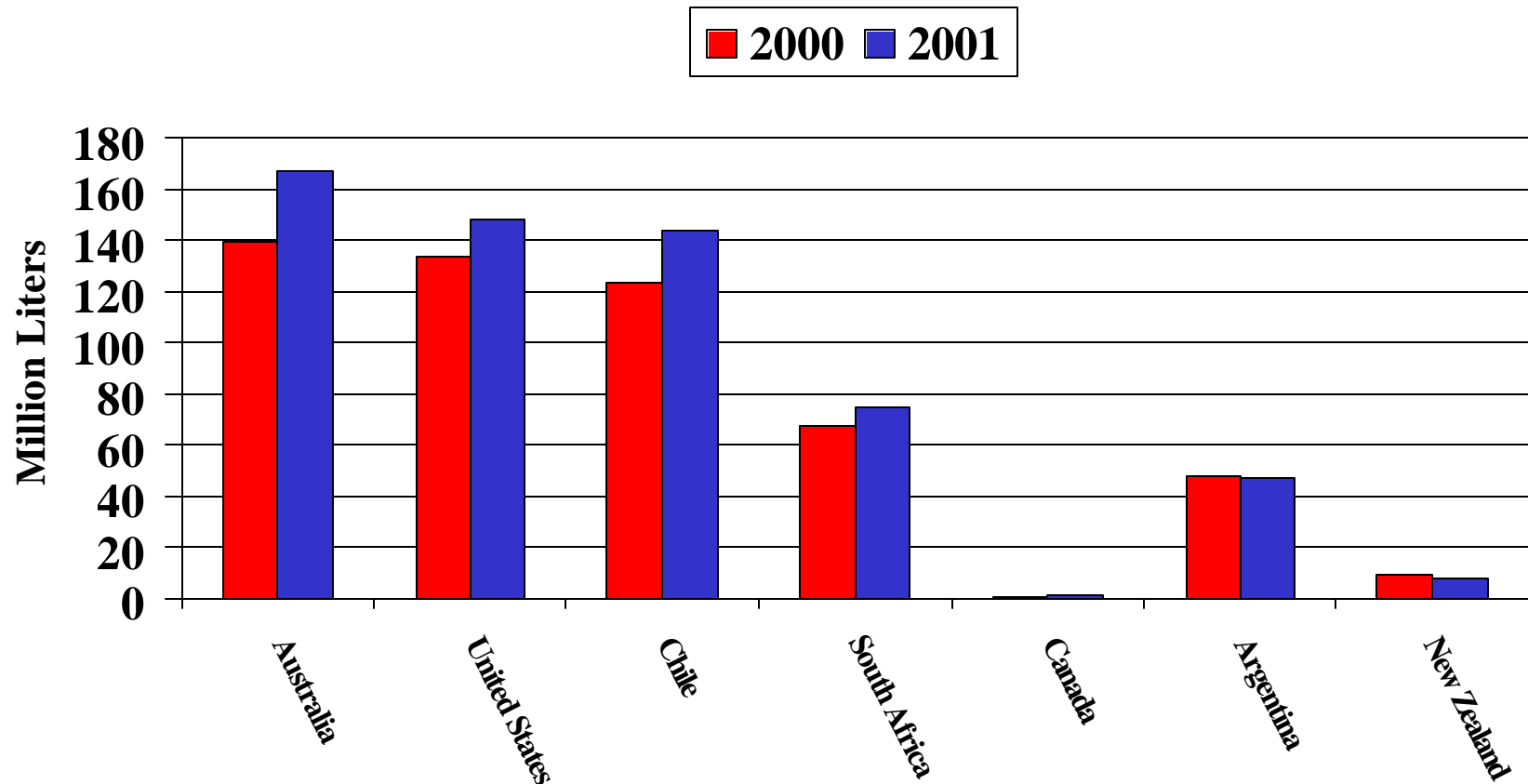
Source: U.S. Department of Commerce, Bureau of the Census

World Wine Trade Group Production



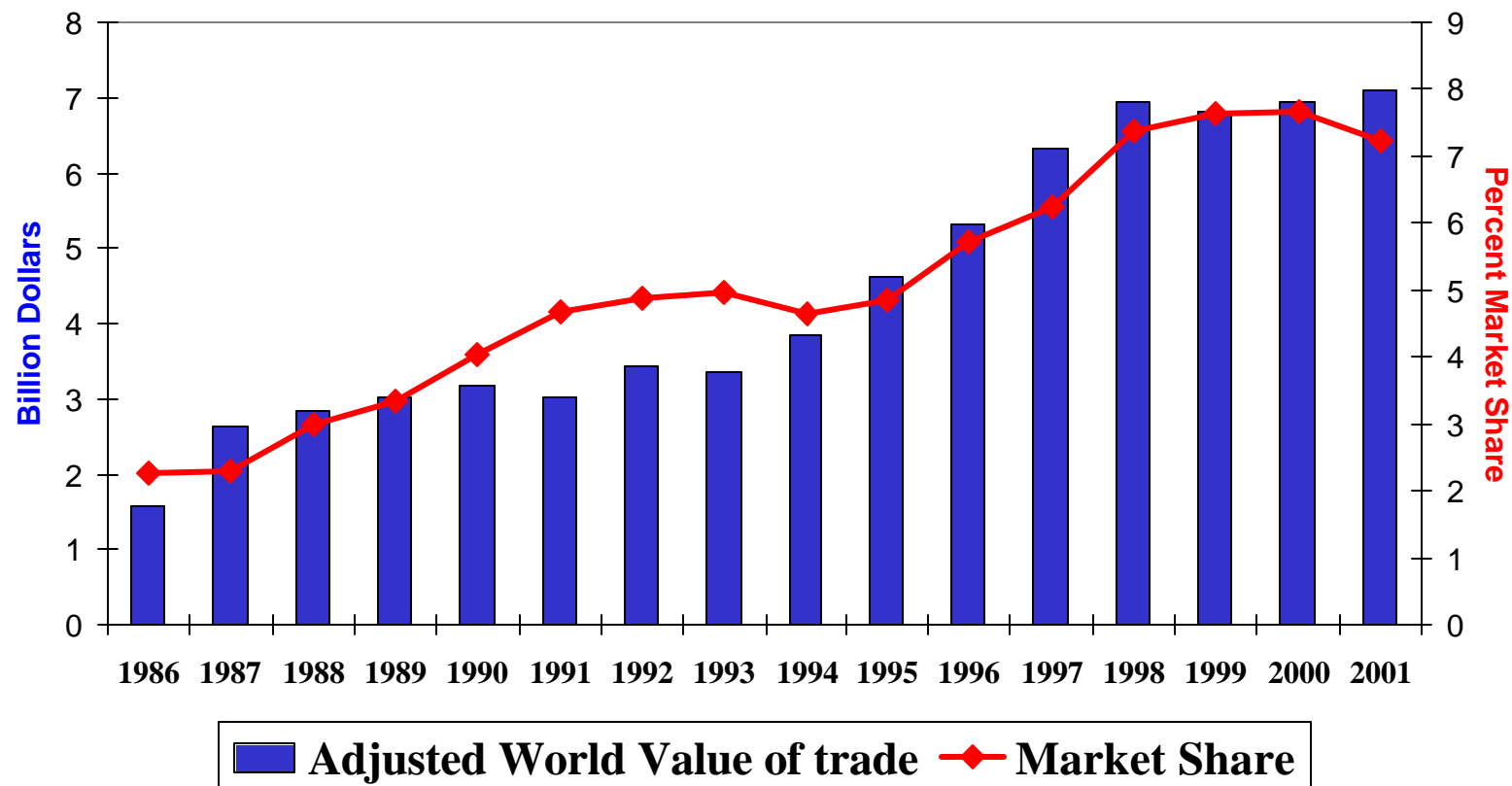
Source: Producers meeting July 2002 – to be updated December 2003

New World Wine Exports

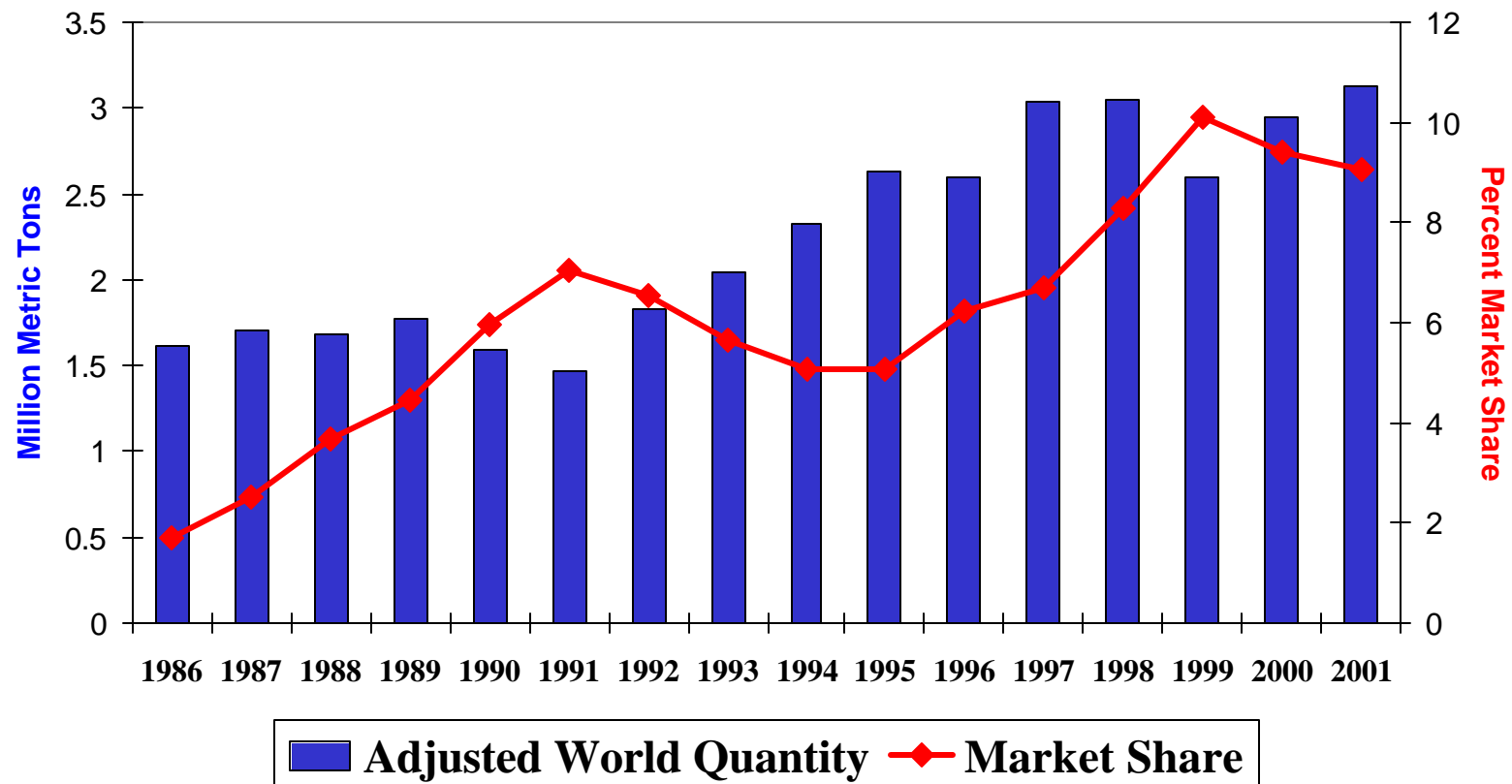


Source: Global Trade Atlas

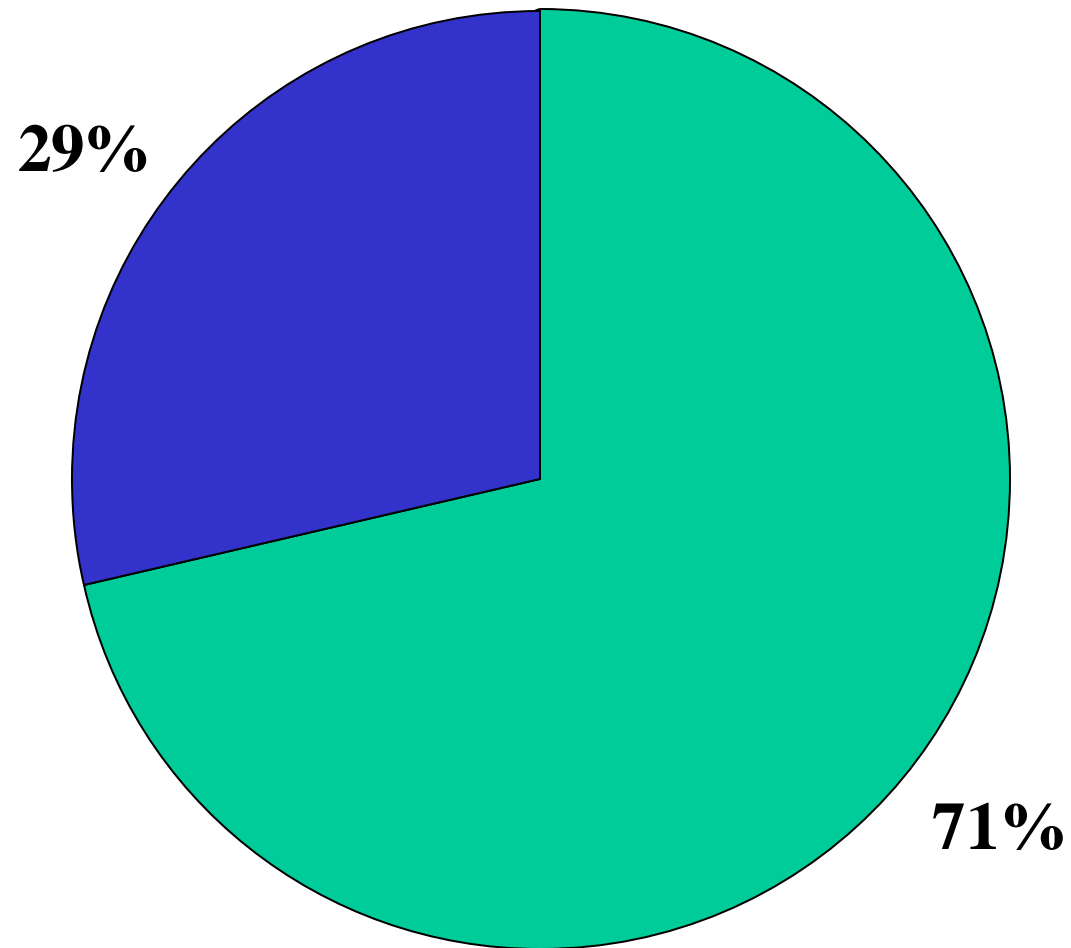
World Wine Exports and U.S. Market Share (Value)



World Wine Exports and U.S. Market Share (Quantity)



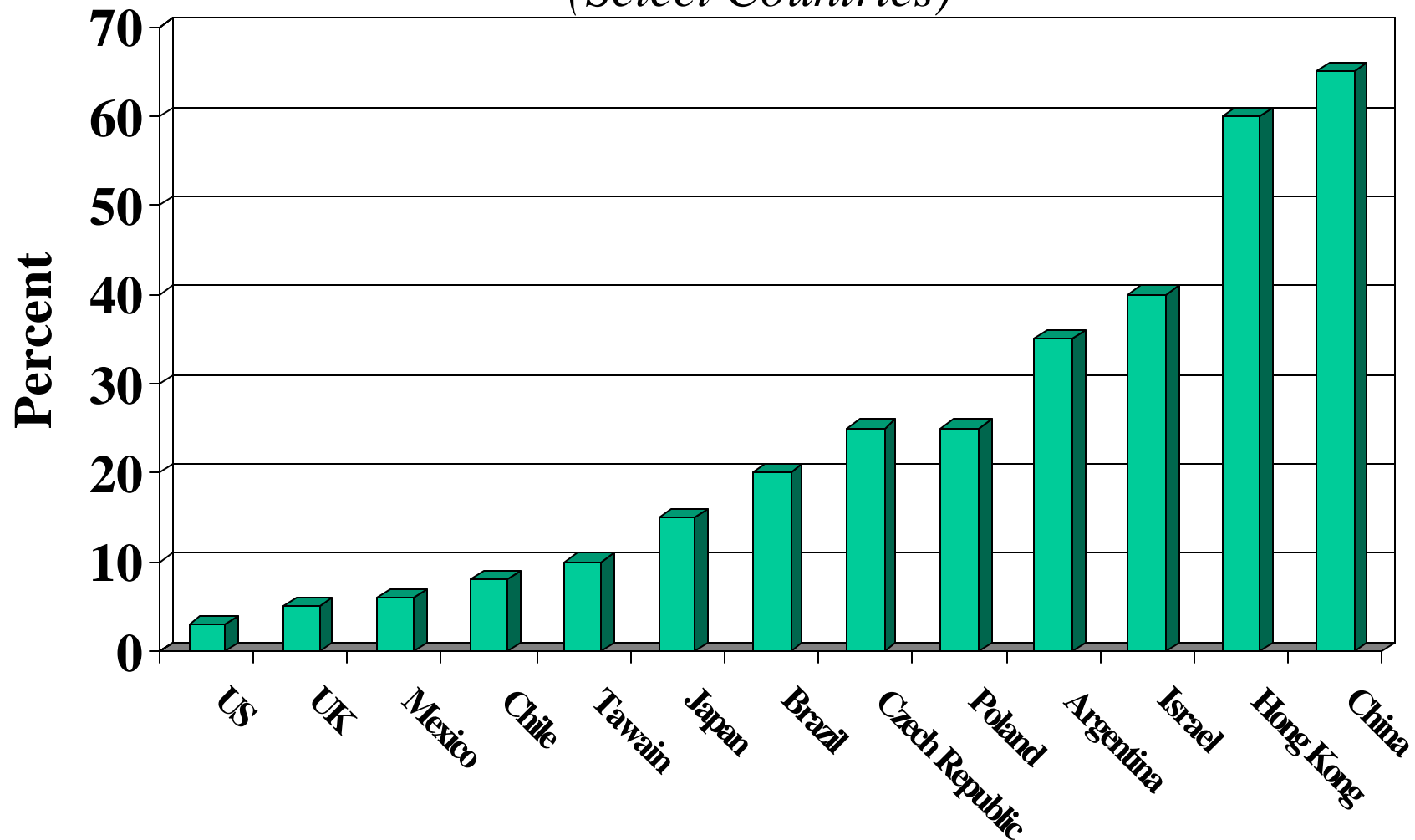
Total World Wine



■ Traditional Old World ■ WWTG

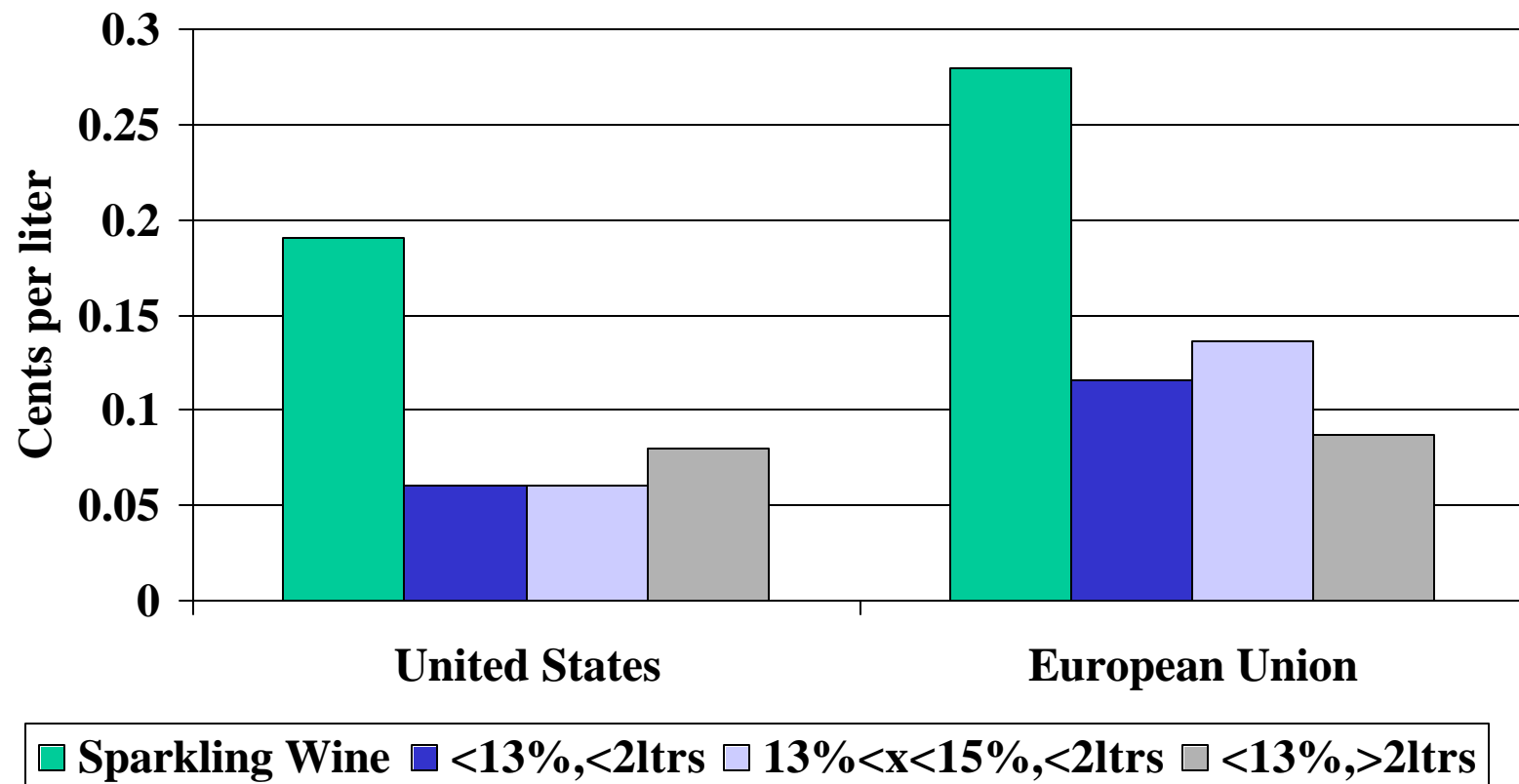
Ad Valorem Equivalent Duty on Imported Wine

(Select Countries)

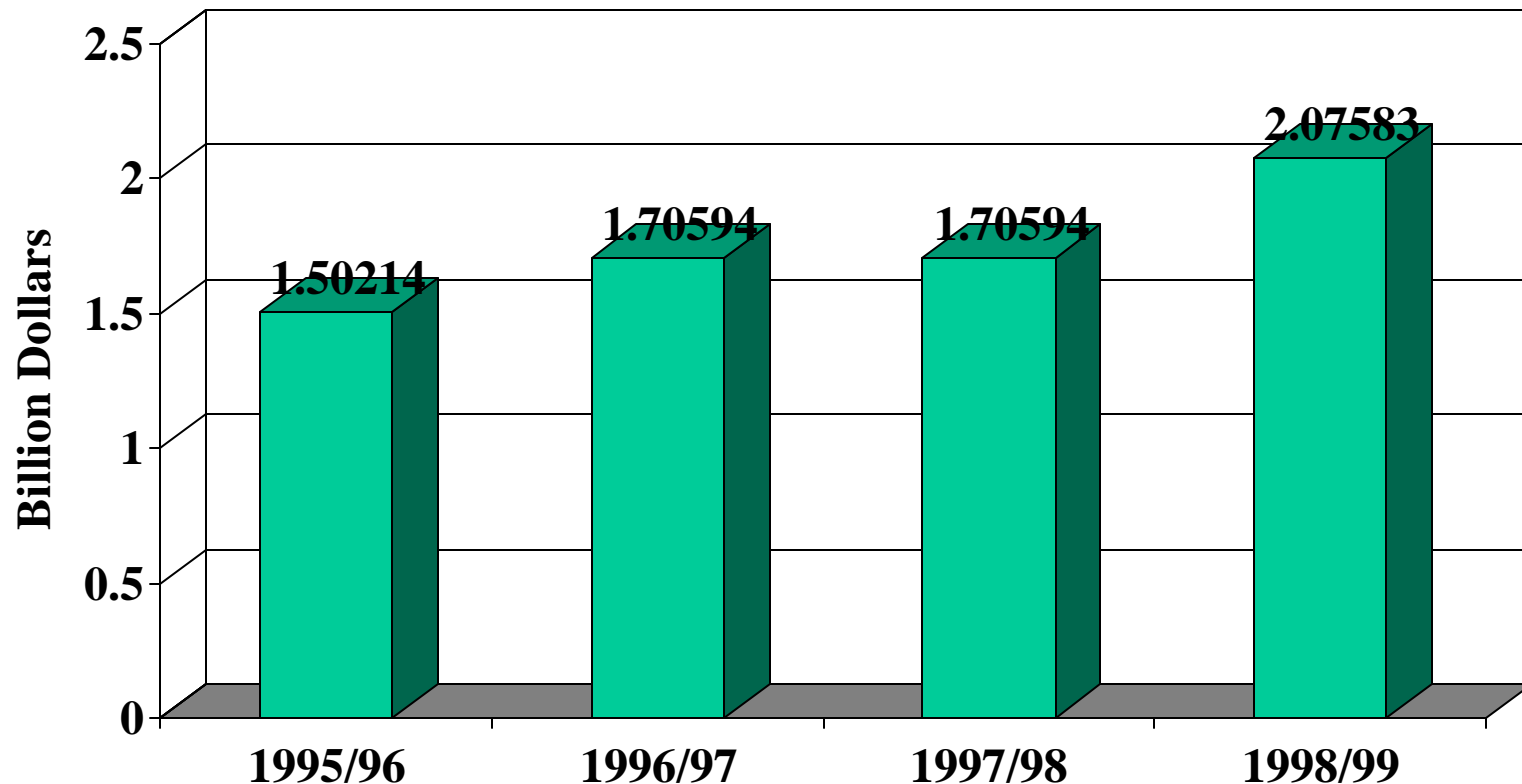


* Estimated – refer to official publication for exact rates

EU and US Import Tariffs on Wine



EU Aggregate Measure of Support* for Wine



*AMS: The level of support does not represent actual budgetary outlays but rather is a calculation to provide a benchmark, using a base period of 1986/88, with respect to overall agricultural support commitments to the WTO.

Source: WTO Notification

The New World Wine Producers



The New World Wine Producers

Agreement to Promote Wine Trade

- Each country will permit the importation of wines from each signatory country that are in accordance with each country's domestic laws.
- Agreement recognizes that different countries use different wine making practices due to local conditions, climatic variations, and traditions and that grape growing and wine making practices are ever-evolving.

The New World Wine Producers

Continued

- Participating countries believe that good regulations within country is the best way to facilitate trade.